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**Consumer Price Index for
Milwaukee-Racine, WI
Second Half 2003 Semiannual Average and 2003 Annual Average**

Milwaukee-Racine area consumer prices declined 0.4 percent during the second half of 2003, according to the U.S. Department of Labor's Bureau of Labor Statistics. The second half 2003 Milwaukee-Racine all items Consumer Price Index for All Urban Consumers (CPI-U) was 177.4 (1982-84=100). This second half retreat follows a gain of 1.3 percent in the second half of 2002.

On an annual average basis, Milwaukee area consumers paid 2.1 percent more for retail goods and services in 2003 than in 2002. Charlene Peiffer, acting regional commissioner for the Bureau in Chicago, noted that higher costs for shelter and energy were about equally responsible for most of the increase. The small remainder was attributed to higher costs for food and beverages and medical care. Two components—recreation and other goods and services, were lower in 2003 compared with their 2002 level.

The housing component rose 3.8 percent in 2003, a larger gain than the 2.6 percent increases in 2002. Almost two-thirds of the latest rise was due to a 3.2 percent increase in the heavily weighted shelter index. Fuel and utility costs were up 14.5 percent in 2003, turning around a 3.3 percent decline in 2002. Within the fuels and utilities category, the natural gas service index gained 34.4 percent in 2003 and the electricity index was up 4.0 percent. The household furnishing and operations index declined 4.1 percent in 2003 after falling 1.4 percent in 2002.

The food and beverages component posted an annual average gain of 2.1 percent. This was ahead of the 1.1 percent increase in 2002 and increases averaging 3.4 percent over the three previous years (1999-2001). The cost of food at home (grocery food items) gained 2.5 percent in 2003, compared to 1.3 percent in 2002. The cost of food away from home, which includes restaurant meals and vending machine items, increased 1.4 percent, the same as in 2002. Alcoholic beverage prices advanced 1.6 percent, following a smaller 0.4 percent gain in 2002.

The cost of medical care increased 3.6 percent in 2003, after climbing 6.2 percent in 2002 and posting annual increases averaging 4.1 percent between 1995 and 2001.

Apparel prices rose 2.6 percent in 2003 following a 6.4 percent setback in 2002 and a 1.8 percent decline in 2001.

The transportation component was almost unchanged, rising 0.1 percent in 2003. This follows a 1.3 percent decline in 2002. Gasoline prices in the Milwaukee area jumped 15.1 percent in 2003 after declining two years in a row, 0.8 percent in 2001 and 5.3 percent in 2002.

The education and communication component posted a 1.2 percent annual increase during 2003. This was close to the 1.7 percent increase in 2002 but below the 4.0 and 4.3 percent gains in 2000 and 2001, respectively.

The other goods and services component, which includes tobacco and smoking products and personal care items, fell 1.6 percent for the year. Between 1994 and 2002, this component has posted average annual gains of 4.3 percent.

The recreation component declined 1.2 percent in 2003, following a small annual gains of 0.1 percent in 2001 and 0.2 percent in 2002.

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Scheduled release date for the 1st Half of 2004 CPI:
Tuesday, August 17, 2004

CPI HOTLINE SERVICE PROVIDES LATEST INDEXES 24 HOURS A DAY

The all items CPI-U and CPI-W for the U. S. City Average and for the Milwaukee area are available to the public 24 hours a day, 7 days a week through the Bureau's CPI Hotline service. This recorded message also provides percent changes from the prior period and from a year earlier as well as the schedule release date for the next CPI issuance. The Hotline number in Milwaukee is (414) 276-2579.

BLS FAX-ON-DEMAND SERVICE OFFERS CPI DATA 24 HOURS A DAY

If you have a fax machine and a touch-tone telephone, you can order current and historical CPI data and receive it within minutes by fax. The BLS Fax-on-Demand service offers over 300 documents containing the most popular BLS data including more than 65 documents containing CPI data for the nation, four regions, and 27 metropolitan areas. To receive by fax a catalog of documents available on the service, call 312 353-1880, select menu option 1, and when prompted, order document 1000.

BRIEF EXPLANATION OF THE CPI

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPI's for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 87 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 32 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Prices are collected in 87 urban areas across the country from about 50,000 housing units and Approximately 23,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index. Prices of food, fuels and a few other items are obtained every month in all 87 locations. Prices of most other commodities and services are collected every month in the five largest geographic areas and every other month in other areas. Prices of most goods and services are obtained by personal visits of the Bureau's trained representatives. Mail questionnaires are used to obtain utility rates, some fuel prices, and certain other items.

In calculating the index, price changes for the various items in each location are averaged together with weights, which represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Separate indexes are also published by size of city, by region of the country, for cross-classifications of regions and population-size classes, and for 27 local areas. Area indexes do not measure differences in the level of prices among cities; they only measure the average change in prices for each area since the base period.

The index measures price change from a designated reference date - 1982-84 - which equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: The price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65.

For further details see BLS Handbook of Methods, Bulletin 2490, Chapter 17, April 1997 The Consumer Price Index.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods

Milwaukee-Racine, WI (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 2nd half 2003 from—	
	2nd half 2002	1st half 2003	2nd half 2003	2nd half 2002	1st half 2003
Expenditure category					
All items	175.2	178.1	177.4	1.3	-0.4
All items (1967=100)	541.1	550.2	547.9	-	-
Food and beverages	175.8	177.9	181.6	3.3	2.1
Food	176.7	178.8	182.8	3.5	2.2
Food at home	172.0	175.4	179.3	4.2	2.2
Food away from home	183.8	184.5	187.3	1.9	1.5
Alcoholic beverages	169.7	171.8	173.7	2.4	1.1
Housing	176.5	182.7	179.7	1.8	-1.6
Shelter	215.0	221.8	216.0	.5	-2.6
Rent of primary residence	187.8	190.2	193.1	2.8	1.5
Owners' equivalent rent of primary residence ¹	224.0	224.5	225.1	.5	.3
Fuels and utilities	131.6	149.1	146.9	11.6	-1.5
Fuels	110.5	127.5	125.7	13.8	-1.4
Gas (piped) and electricity	114.7	132.4	130.8	14.0	-1.2
Electricity	123.1	124.8	127.7	3.7	2.3
Utility (piped) gas service	104.5	142.2	135.3	29.5	-4.9
Household furnishings and operations	111.5	109.9	106.4	-4.6	-3.2
Apparel	108.6	110.2	115.6	6.4	4.9
Transportation	148.8	149.3	146.6	-1.5	-1.8
Private transportation	142.4	142.8	140.6	-1.3	-1.5
Motor fuel	131.5	144.5	144.8	10.1	.2
Gasoline (all types)	129.7	142.5	142.8	10.1	.2
Gasoline, unleaded regular ²	132.3	144.6	144.7	9.4	.1
Gasoline, unleaded midgrade ^{2 3}	135.9	147.6	148.5	9.3	.6
Gasoline, unleaded premium ²	117.0	126.5	127.0	8.5	.4
Medical care	288.2	293.8	293.0	1.7	-.3
Recreation ⁴	102.6	101.6	101.7	-.9	.1
Education and communication ⁴	112.0	111.4	114.0	1.8	2.3
Other goods and services	283.8	277.4	279.4	-1.6	.7
Commodity and service group					
All items	175.2	178.1	177.4	1.3	-.4
Commodities	144.2	144.5	143.3	-.6	-.8
Commodities less food and beverages	127.8	127.4	124.6	-2.5	-2.2
Nondurables less food and beverages	142.4	144.2	145.0	1.8	.6
Durables	113.7	111.3	105.3	-7.4	-5.4
Services	204.9	210.3	210.0	2.5	-.1
Special aggregate indexes					
All items less medical care	170.0	172.9	172.1	1.2	-.5
All items less shelter	162.4	164.1	164.3	1.2	.1
Commodities less food	129.4	129.1	126.4	-2.3	-2.1
Nondurables	159.5	161.5	163.6	2.6	1.3
Nondurables less food	143.9	145.7	146.5	1.8	.5
Services less rent of shelter ¹	203.1	207.9	210.8	3.8	1.4
Services less medical care services	197.8	203.1	202.3	2.3	-.4
Energy	121.0	136.4	135.6	12.1	-.6
All items less energy	183.1	184.8	184.0	.5	-.4
All items less food and energy	184.6	186.2	184.7	.1	-.8

¹ Index is on a November 1982=100 base.

² Special index based on a substantially smaller sample.

³ Indexes on a December 1993=100 base.

⁴ Indexes on a December 1997=100 base.

- Data not available.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes for annual averages and percent changes for selected periods

Milwaukee-Racine, WI (1982-84=100 unless otherwise noted)

Item and Group	Annual average indexes		Percent change to 2003 from 2002 —
	2002	2003	
Expenditure category			
All items	174.0	177.7	2.1
All items (1967=100)	537.5	549.0	-
Food and beverages	176.0	179.7	2.1
Food	176.9	180.8	2.2
Food at home	172.9	177.3	2.5
Food away from home	183.4	185.9	1.4
Alcoholic beverages	170.0	172.7	1.6
Housing	174.6	181.2	3.8
Shelter	212.2	218.9	3.2
Rent of primary residence	186.5	191.7	2.8
Owners' equivalent rent of primary residence ¹	223.0	224.8	.8
Fuels and utilities	129.3	148.0	14.5
Fuels	109.0	126.6	16.1
Gas (piped) and electricity	113.2	131.6	16.3
Electricity	121.4	126.3	4.0
Utility (piped) gas service	103.2	138.7	34.4
Household furnishings and operations	112.8	108.2	-4.1
Apparel	110.0	112.9	2.6
Transportation	147.7	147.9	.1
Private transportation	141.2	141.7	.4
Motor fuel	125.8	144.7	15.0
Gasoline (all types)	124.0	142.7	15.1
Gasoline, unleaded regular ²	126.2	144.7	14.7
Gasoline, unleaded midgrade ^{2 3}	130.0	148.1	13.9
Gasoline, unleaded premium ²	112.2	126.8	13.0
Medical care	283.2	293.4	3.6
Recreation ⁴	102.9	101.7	-1.2
Education and communication ⁴	111.4	112.7	1.2
Other goods and services	283.0	278.4	-1.6
Commodity and service group			
All items	174.0	177.7	2.1
Commodities	144.3	143.9	-.3
Commodities less food and beverages	127.9	126.0	-1.5
Nondurables less food and beverages	141.3	144.6	2.3
Durables	114.9	108.3	-5.7
Services	202.6	210.1	3.7
Special aggregate indexes			
All items less medical care	169.0	172.5	2.1
All items less shelter	161.8	164.2	1.5
Commodities less food	129.5	127.7	-1.4
Nondurables	158.9	162.5	2.3
Nondurables less food	142.9	146.1	2.2
Services less rent of shelter ¹	201.0	209.4	4.2
Services less medical care services	195.7	202.7	3.6
Energy	117.6	136.0	15.6
All items less energy	182.3	184.4	1.2
All items less food and energy	183.6	185.5	1.0

¹ Index is on a November 1982=100 base.

² Special index based on a substantially smaller sample.

³ Indexes on a December 1993=100 base.

⁴ Indexes on a December 1997=100 base.

- Data not available.